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(Original Signature of Member)

117<sup>TH</sup> CONGRESS  
2D SESSION

**H. R.** \_\_\_\_\_

To prohibit contracting with persons that have business operations with the Government of the Russian Federation or the Russian energy sector, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

Mr. WALTZ introduced the following bill; which was referred to the Committee  
on \_\_\_\_\_  
\_\_\_\_\_

**A BILL**

To prohibit contracting with persons that have business operations with the Government of the Russian Federation or the Russian energy sector, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Keeping Russia’s En-  
5       ergy and Military Liable for Invading its Neighbors Act”  
6       or “KREMLIN Act”.

1 **SEC. 2. PROHIBITION ON CONTRACTING WITH PERSONS**  
2 **THAT HAVE BUSINESS OPERATIONS WITH**  
3 **THE GOVERNMENT OF THE RUSSIAN FED-**  
4 **ERATION OR THE RUSSIAN ENERGY SECTOR.**

5 (a) PROHIBITION.—Except as provided under sub-  
6 sections (b), (c), and (d), the head of an executive agency  
7 may not enter into a contract for the procurement of  
8 goods or services with any person that has business oper-  
9 ations with—

10 (1) an authority of the Government of the Rus-  
11 sian Federation; or

12 (2) a fossil fuel company that operates in the  
13 Russian Federation, except if the fossil fuel company  
14 transports oil or gas—

15 (A) through the Russian Federation for  
16 sale outside of the Russian Federation; and

17 (B) that was extracted from a country  
18 other than the Russian Federation with respect  
19 to the energy sector of which the President has  
20 not imposed sanctions as of the date on which  
21 the contract is awarded.

22 (b) EXCEPTIONS.—

23 (1) IN GENERAL.—The prohibition under sub-  
24 section (a) does not apply to a contract that the  
25 head of an executive agency and the Secretary of  
26 State jointly determine—

1 (A) is necessary—

2 (i) for purposes of providing humani-  
3 tarian assistance to the people of Russia;  
4 or

5 (ii) for purposes of providing disaster  
6 relief and other urgent life-saving meas-  
7 ures; or

8 (B) is vital to the national security inter-  
9 ests of the United States.

10 (2) NOTIFICATION REQUIREMENT.—The head  
11 of an executive agency shall notify the appropriate  
12 congressional committees of any contract entered  
13 into on the basis of an exception provided for under  
14 paragraph (1).

15 (3) OFFICE OF FOREIGN ASSETS CONTROL LI-  
16 CENSES.—The prohibition in subsection (a) shall not  
17 apply to a person or entity that has a valid license  
18 to operate in Russia issued by the Office of Foreign  
19 Assets Control of the Department of the Treasury or  
20 is otherwise authorized to operate notwithstanding  
21 the imposition of sanctions.

22 (4) AMERICAN DIPLOMATIC MISSION IN RUS-  
23 SIA.—The prohibition in subsection (a) shall not  
24 apply to contracts related to the operation and main-

1       tenance of the United States Government's consular  
2       offices and diplomatic posts in Russia.

3       (e) APPLICABILITY.—This section shall take effect on  
4       the date of the enactment of this Act and apply with re-  
5       spect to any contract entered into on or after such effec-  
6       tive date.

7       (d) SUNSET.—This section shall terminate on the  
8       date on which the President submits to the appropriate  
9       congressional committees a certification in writing that  
10      contains a determination of the President that the Russian  
11      Federation—

12           (1) has reached an agreement relating to the  
13           withdrawal of Russian forces and cessation of mili-  
14           tary hostilities that is accepted by the free and inde-  
15           pendent government of Ukraine;

16           (2) poses no immediate military threat of ag-  
17           gression to any North Atlantic Treaty Organization  
18           member; and

19           (3) recognizes the right of the people of  
20           Ukraine to independently and freely choose their  
21           own government.

22      (e) DEFINITIONS.—In this section:

23           (1) APPROPRIATE CONGRESSIONAL COMMIT-  
24           TEES.—The term “appropriate congressional com-  
25           mittees” means—

1 (A) the Committee on Oversight and Re-  
2 form, the Committee on Armed Services, and  
3 the Committee on Foreign Affairs of the House  
4 of Representatives; and

5 (B) the Committee on Homeland Security  
6 and Governmental Affairs, the Committee on  
7 Armed Services, and the Committee on Foreign  
8 Relations of the Senate.

9 (2) BUSINESS OPERATIONS.—The term “busi-  
10 ness operations” means engaging in commerce in  
11 any form, including acquiring, developing, maintain-  
12 ing, owning, selling, possessing, leasing, or operating  
13 equipment, facilities, personnel, products, services,  
14 personal property, real property, or any other appa-  
15 ratus of business or commerce.

16 (3) EXECUTIVE AGENCY.—The term “executive  
17 agency” has the meaning given the term in section  
18 133 of title 41, United States Code.

19 (4) FOSSIL FUEL COMPANY.—The term “fossil  
20 fuel company” means a person that—

21 (A) carries out oil, gas, or coal exploration,  
22 development, or production activities;

23 (B) processes or refines oil, gas, or coal; or

24 (C) transports, or constructs facilities for  
25 the transportation of, Russian oil, gas, or coal.

1           (5) GOVERNMENT OF THE RUSSIAN FEDERA-  
2           TION.—The term “Government of the Russian Fed-  
3           eration” includes the government of any political  
4           subdivision of Russia, and any agency or instrumen-  
5           tality of the Government of the Russian Federation.  
6           For purposes of this paragraph, the term “agency or  
7           instrumentality of the Government of the Russian  
8           Federation” means an agency or instrumentality of  
9           a foreign state as defined in section 1603(b) of title  
10          28, United States Code, with each reference in such  
11          section to “a foreign state” deemed to be a reference  
12          to “Russia”.

13          (6) PERSON.—The term “person” means—

14                (A) a natural person, corporation, com-  
15                pany, business association, partnership, society,  
16                trust, or any other nongovernmental entity, or-  
17                ganization, or group;

18                (B) any governmental entity or instrumen-  
19                tality of a government, including a multilateral  
20                development institution (as defined in section  
21                1701(c)(3) of the International Financial Insti-  
22                tutions Act (22 U.S.C. 262r(c)(3))); and

23                (C) any successor, subunit, parent entity,  
24                or subsidiary of, or any entity under common

- 1 ownership or control with, any entity described
- 2 in subparagraph (A) or (B).